

Amendment No. 3 to HB0800

Fitzhugh
Signature of Sponsor

AMEND Senate Bill No. 104*

House Bill No. 800

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

By deleting all of the language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-6-103, is amended by adding the following language as a new subsection:

(h) There is established a rural development pilot project to be conducted in accordance with the provisions of this subsection.

(1)

(A) Notwithstanding the allocations provided for in subsection (a), there shall be apportioned and distributed to any county having a population of not less than thirty-nine thousand eight hundred (39,800) nor more than thirty-nine thousand eight hundred seventy-five (39,875) according to the 2000 federal census or any subsequent federal census, in which there is a state park containing approximately six thousand five hundred (6,500) acres, of which approximately four thousand (4,000) acres are an impounded reservoir, a portion of which is owned by the Tennessee Valley Authority, over which an easement has been given to the state and the state has leased or otherwise conveyed its rights to the property to such county for development, an amount equal to the amount of state and local sales taxes derived from sales occurring within such property. Such amount distributed to the county shall be exclusively for retirement of the indebtedness incurred by such county for development of such property, to the same extent that such county may pledge any

revenues of the county. Notwithstanding any provision of this subsection to the contrary, prior to any annual distribution pursuant to this subdivision (1)(A), an amount equal to the state sales and use taxes collected within such property in fiscal year 2004-2005 shall be deposited in the treasury and allocated as otherwise provided by law.

(B)

(i) Notwithstanding the allocations provided for in subsection (a), there shall be apportioned and distributed to any municipality within five (5) miles of the nearest bank of the Tennessee River and located within a county having a population of not less than twenty-five thousand five hundred seventy-five (25,575) nor more than twenty-five thousand six hundred fifty (25,650) according to the 2000 federal census or any subsequent federal census, owning and controlling undeveloped property adjacent to the Tennessee River, an amount equal to the amount of state and local sales taxes derived from sales occurring within such property. Such amount distributed to the municipality shall be exclusively for retirement of the indebtedness incurred by such municipality for development of such property, to the same extent that such municipality may pledge any revenues of the municipality.

(ii) Notwithstanding the allocations provided for in subsection (a), there shall be apportioned and distributed to a county having a population of not less than twenty-five

thousand five hundred seventy-five (25,575) nor more than twenty-five thousand six hundred fifty (25,650) according to the 2000 federal census or any subsequent federal census, in which property owned by the Tennessee Valley Authority has been leased to such county prior to the effective date of this act, an amount equal to the amount of state and local sales taxes derived from sales occurring within such property. Such amount distributed to the county shall be exclusively for retirement of the indebtedness incurred by such county for development of such property, to the same extent that such county may pledge any revenues of the county.

(2) Notwithstanding any provision of this subsection to the contrary, no portion of the revenue derived from the increase in the rate of sales and use tax allocated to educational purposes pursuant to Section 9, Chapter 529 of the Public Acts of 1992, and no portion of the revenue derived from the increase in the rate of sales and use tax from six percent (6%) to seven percent (7%) pursuant to Section 4, Chapter 856 of the Public Acts of 2002, shall be apportioned and distributed pursuant to this subsection. All such revenue shall continue to be allocated as provided in Chapter 529 of the Public Acts 1992 and Chapter 856 of the Public Acts of 2002.

(3) Prior to the issuance of any bonds for development of property subject to the provisions of this subsection, the county or municipal legislative body shall submit its plan for development to the executive committee of the state building commission for such committee's review

and recommendation to the state building commission. The building commission may recommend the project described in subdivision (1)(A) and may recommend one (1) of the two (2) projects described in subdivision (1)(B). No tax distribution pursuant to the provisions of this subsection shall be made to any county or municipality until the commission recommends such project.

SECTION 2. This act shall become operative only if the estimated cost of software changes necessary to implement the provisions of this act are paid to the department of revenue by any county or municipality receiving an annual distribution of revenue pursuant to Section 1 of this act. Such payment shall be made prior to any expenditure of funds by the state. The department shall return any unused portion of the estimated cost to the county or municipality within thirty (30) days of completion of the software changes necessary to implement the provisions of this act. If the actual cost exceeds the estimated cost, an amount equal to the difference in such costs shall be remitted to the department by the affected county or municipality within thirty (30) days of receiving an itemized invoice of the actual cost from the department.

SECTION 3. This act shall take effect July 1, 2005, the public welfare requiring it.